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COMMITTEE FOR PROGRAMME AND COORDINATION
Thirty-first session
13 May-7 June 1991
Agenda item 7

ADOPTION OF THE REPORT OF THE COMMITTEE ON ITS THIRTY-FIRST SESSION

Draft report

Rapporteur: Mr. Boris GOUDIMA (Ukrainian SSR)

IV. REPORTS OF THE JOINT INSPECTION UNIT

Report of the Joint Inspection Unit (A/44/646 and A/45/648)

1. At its 13th and 14th meetings, on 21 May, the Committee considered the report of the Joint Inspection Unit (JIU) selected by the Committee at its organizational session, entitled "Practices and procedures aimed at a more equitable geographical distribution of sources of procurement for technical cooperation projects" (A/44/646) and the comments of the Administrative Committee on Coordination thereon (A/45/648).

Discussion

2. A number of delegations expressed the opinion that the report of JIU provided a useful basis for consideration with respect to the improvement of the procurement system for technical cooperation projects through more equitable geographical distribution of sources of procurement. Some delegations objected to all the recommendations in the report while others were opposed to the use of the term "geographical" in the text.

3. Some delegations, while recognizing that the JIU report focused on projects of the United Nations Development Programme (UNDP), underlined the need to expand the purchase of goods and services in developing countries as well as in the under-utilized major developed countries, not only for economic cooperation projects, but also for all purchases by the system as a whole. Several delegations stressed that such purchases should be related only to UNDP projects.

4. Several delegations were of the view that the criteria of good and appropriate quality, low price and adequate guarantees should always apply, as should competitiveness, competition and international bidding in procurement procedures and practices. Some delegations stressed that such criteria were difficult to work out and that specifications for the functioning and the quality of goods should be clearly set out for international bidding and procurement procedures. Some delegations considered that due regard should be given to the specific procurement targets of the developing countries, while others objected to it.

5. Several delegations stressed that, with the increased international division of labour, many finished products included components from the developing countries and the share of some developing countries in the production of such goods had been increasing.

Conclusions and recommendations

6. The Committee reaffirmed that all countries should have as much access as possible to the procurement process for the operational activities of the United Nations system. Consideration should be given to practical and effective measures to increase the procurement from developing countries as well as the under-utilized major donor countries, with due regard for the principle of international competitive bidding and the procurement regulations of the United Nations system, including the preferential arrangements approved by UNDP. In this context, the Committee stressed the important role of programme managers and coordinators, both at Headquarters and in the field, as well as host Governments in promoting procurement from sources of supply in the developing countries.

7. The Committee acknowledged the efforts made by some United Nations agencies to increase procurement from developing countries and under-utilized major donor countries and recommended that this practice should be encouraged. The Committee further requested the Inter-Agency Procurement Services Unit (IAPSU) to continue to improve its methods and procedures for identifying new sources of procurement, as well as its compilation and reporting of information on procurement.

8. The Committee stressed that efforts should be made to overcome old stereotypes and negative attitudes in respect of purchases of goods for United Nations projects from the developing countries.

9. The Committee felt that it was very important to develop a reliable statistical database for purchases and stressed the role of IAPSU as a focal point for the collection of data. Information on procurement opportunities, including competitive international bidding and countries' capacities, should be made available to all interested countries so as to provide better field information and greater transparency.

10. The Committee took note of the recommendations contained in the JIU report and the comments on these recommendations by the Administrative Committee on Coordination.